

Hobbies

Two currency reforms introduced in Congress make sense, if not cents

By Roger Boye

The Lincoln cent could be eliminated from the U. S. coinage system if new legislation in Congress becomes law.

Among other things, the bill would require merchants to round cash sales up or down to the nearest nickel. Transactions made by check or credit card would not be affected.

"With an average inflation rate of five percent, the cost of minting a penny will be over one cent by the year 2000," according to a statement issued by the Coin Coalition, a Washington-based lobbying group that helped to write the legislation introduced last month by two congressmen.

The coalition contends that rounding would favor neither the buyer nor the seller in a business transaction. Merchants would be

able to "rig" prices to their advantage for single-item sales only, because the rounding would occur after all amounts and sales tax had been totaled in a sale.

The Coin Coalition also wants Congress to pass another bill that would force Uncle Sam to issue a circulating dollar coin and phase out the \$1 Federal Reserve note. Passage of both bills would reduce by 40 percent the amount of coins and paper money needed for business transactions, greatly lowering the cost of making and counting money, according to the coalition.

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Lawmakers in Washington have approved bills calling for commemorative coins to honor the centennials in 1989 and 1990 of six western states, but the legislation still has not become law.

The two houses of Congress

can't agree on whether some of the special coins should be made with palladium, a rare metal of the platinum group. The Senate's bill—introduced by Max Baucus of Montana, which has the nation's only palladium mine—requires production of thousands of palladium coins. But the House-approved bill would permit the U. S. Mint to make up to one million silver dollars but nothing out of palladium.

In an Oct. 31 letter, Mint Director Donna Pope told a House subcommittee that palladium is too hard a metal to coin efficiently, which apparently helped to persuade House members to delete palladium from their bill. But the Senate-passed version continues to call for silver—and palladium—coins.

The legislation, which also would permit U. S. Mint officials

to produce proof sets containing silver dimes, quarters and halves, presumably could be considered again when Congress reconvenes in January.

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U. S. "greenbacks" featuring the signature of Catalina Vasquez Villalpando—the new U. S. treasurer—could begin appearing in circulation as early as next spring, according to the Bureau of Engraving and Printing.

Under current Treasury Department practice, officials add a

letter to the series year with each new treasurer, and they change the year with each new Treasury secretary. Paper money with Villalpando's signature probably would be designated series 1988A.

Among other things, the treasurer oversees the U. S. Mint and the Bureau of Engraving and Printing.

The Senate confirmed Villalpando's nomination in mid-November. She is a Texas native who has been active in Republican Party activities.